

REFERENCE TITLE: condominiums; real property conveyance

State of Arizona
Senate
Forty-seventh Legislature
Second Regular Session
2006

SB 1138

Introduced by
Senator Leff; Representatives Reagan: Allen J, Tully

AN ACT

AMENDING TITLE 33, CHAPTER 9, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 33-1252.01; RELATING TO CONDOMINIUMS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 33, chapter 9, article 3, Arizona Revised Statutes,
3 is amended by adding section 33-1252.01, to read:

4 33-1252.01. Conveyance of certain real property

5 A. REAL PROPERTY THAT IS HELD AS AN ASSET OF THE ASSOCIATION AND THAT
6 IS NOT HELD AS A COMMON ELEMENT OF THE CONDOMINIUM MAY BE CONVEYED BY THE
7 ASSOCIATION IF PERSONS ENTITLED TO CAST AT LEAST EIGHTY PER CENT OF THE VOTES
8 IN THE ASSOCIATION, OR ANY LARGER PERCENTAGE THE DECLARATION SPECIFIES, AGREE
9 TO THE CONVEYANCE IN THE MANNER PRESCRIBED IN SUBSECTION B.

10 B. AN AGREEMENT TO CONVEY REAL PROPERTY THAT IS HELD AS AN ASSET OF
11 THE ASSOCIATION AND THAT IS NOT HELD AS A COMMON ELEMENT OF THE CONDOMINIUM
12 SHALL BE EVIDENCED BY THE EXECUTION OF AN AGREEMENT, OR RATIFICATIONS OF THE
13 AGREEMENT, IN THE SAME MANNER AS A DEED AND BY THE REQUISITE NUMBER OF UNIT
14 OWNERS. THE AGREEMENT SHALL SPECIFY A DATE AFTER WHICH THE AGREEMENT WILL BE
15 VOID UNLESS PREVIOUSLY RECORDED. THE AGREEMENT AND ALL RATIFICATIONS OF THE
16 AGREEMENT SHALL BE RECORDED IN EACH COUNTY IN WHICH A PORTION OF THE
17 CONDOMINIUM IS SITUATED AND ARE EFFECTIVE ONLY ON RECORDATION.

18 C. THE ASSOCIATION, ON BEHALF OF THE UNIT OWNERS, MAY CONTRACT TO
19 CONVEY THE REAL PROPERTY BUT THE CONTRACT IS NOT ENFORCEABLE AGAINST THE
20 ASSOCIATION UNTIL APPROVED PURSUANT TO SUBSECTIONS A AND B. THEREAFTER, THE
21 ASSOCIATION HAS ALL POWERS NECESSARY AND APPROPRIATE TO EFFECT THE
22 CONVEYANCE, INCLUDING THE POWER TO EXECUTE DEEDS OR OTHER INSTRUMENTS.

23 D. EXCEPT AS PERMITTED IN THIS CHAPTER, ANY PURPORTED CONVEYANCE OR
24 OTHER VOLUNTARY TRANSFER OF REAL PROPERTY IS VOID.

25 E. A CONVEYANCE OF REAL PROPERTY PURSUANT TO THIS SECTION DOES NOT
26 AFFECT THE PRIORITY OR VALIDITY OF PREEXISTING ENCUMBRANCES.